Postal Regulatory Commission Submitted 4/29/2021 2:58:45 PM Filing ID: 116863 Accepted 4/29/2021

BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268–0001

TRANSFERRING BOUND PRINTED MATTER PARCELS TO THE COMPETITIVE PRODUCT LIST

Docket No. MC2021-78

UNITED STATES POSTAL SERVICE NOTICE OF FILING ATTACHMENT UNDER SEAL AND MOTION FOR NON-PUBLIC TREATMENT OF RESPONSE TO QUESTION 9b OF CHAIRMAN'S INFORMATION REQUEST NO. 1 (April 29, 2021)

The United States Postal Service hereby provides notice that it is filing

Attachment A to its response to Chairman's Information Request No. 1, Question 9b,

under seal. A redacted version of Attachment A is attached to the response. The nonpublic, unredacted version of Attachment A is uploaded to the Non-public USPS to PRC

folder on the United States Postal Service Secure Large File Transfer Web Application

portal. An application for non-public treatment follows.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Nabeel R. Cheema, Chief Counsel, Pricing & Product Support

Michael Gross

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APPLICATION OF THE UNITED STATES POSTAL SERVICE FOR NON-PUBLIC TREATMENT OF MATERIALS

In accordance with 39 C.F.R. §§ 3011.200 - 3011.203, the United States Postal Service applies for non-public treatment of the information filed under seal as "NP Attachment A MC2021-78 ChIR 1 Q9b.pdf." The justification for this application required by 39 C.F.R. § 3011.201(b) follows.

(1) The rationale for claiming that the materials are non-public, including the specific statutory provision(s) supporting the claim, and an explanation justifying application of the provision(s) to the materials;

The material in question consists of non-public commercial information that would not be disclosed under good business practices. Based on its longstanding and deep familiarity with the postal business, its markets, and its competitors, the Postal Service does not believe that it or any competing enterprise would voluntarily publish this information out of a concern that doing so would be used by competitors to its commercial detriment. As such, this information is exempt from mandatory disclosure pursuant to 39 U.S.C. § 410(c)(2) and 5 U.S.C. § 552(b)(3).

(2) A statement of whether the submitter, any person other than the submitter, or both have a proprietary interest in the information contained within the non-public materials ... and the identification of an individual ... to accept actual notice of a motion related to the non-public materials....

The Postal Service has a proprietary interest in the information filed under seal.

The Colography Group, Inc., which provided the information to the Postal Service,
retains a proprietary interest in the information as well. The Postal Service notified

Colography of the Chairman's information request and received its consent to provide

this answer under seal. The individual designated to accept notice of any motion regarding this information is Michael Gross, Attorney, Pricing and Product Compliance; 202-268-6915; Michael I. Gross@usps.gov.

(3) A description of the information contained within the materials claimed to be non-public in a manner that, without revealing the information at issue, would allow the Commission to thoroughly evaluate the basis for the claim that the information contained within the materials are non-public;

NP Attachment A MC2021-78 ChIR 1 Q9b.pdf consists of a seven-page pdf document, labeled as Attachment A in the Postal Service's responses to Chairman's Information Request No. 1, Question 9b. The attachment contains analyses of UPS Ground and FedEx Ground pricing information and comparisons to various Postal Service products.

(4) Particular identification of the nature and extent of the harm alleged and the likelihood of each harm alleged to result from disclosure;

Disclosure of confidential product pricing, revenue, or volume information is, as a general matter, regarded as posing a substantial risk of commercial harm. The Postal Service believes that its competitors do not disclose this information either.

If the information in Attachment A were disclosed, the Postal Service would likely be placed at a competitive disadvantage and suffer substantial harm. Competitors could use the information in Attachment A to direct informed sales and marketing efforts at winning business, not only from the Postal Service but also from UPS and FedEx.

Further, the Postal Service obtained this information from its contractor at its own expense. Competing parcel shippers are capable of performing their own analyses and retaining their own contractors.

(5) At least one specific hypothetical, illustrative example of each alleged harm;

Hypothetical: Attachment A is released, and the Postal Service's internal analyses of pricing information for portions of the parcels market become publicly known. This would allow competitors' analysts to assess the relative profitability of their own services. Competitors' sales and marketing teams would make specific efforts at winning business, not only from the Postal Service also but from other competitors, by providing targeted, preferential pricing. Release of the information in Appendix A may also inform competitors' broader marketing and product decisions, also to the Postal Service's competitive detriment.

Harm: The Postal Service suffers significant commercial harm in the form of lost business.

Hypothetical: Attachment A is released, and the Postal Service's internal analyses of pricing information for portions of the parcels market become publicly known. This interferes with the negotiation or renegotiation of Negotiated Service Agreements with customers present and future.

Harm: The Postal Service suffers significant commercial harm in the form of lost business.

(6) The extent of protection from public disclosure deemed to be necessary;

The Postal Service maintains that the portions of the materials filed non-publicly should be withheld from all persons involved in decision-making for competing providers of delivery services, as well as their agents, consultants, and attorneys.

(7) The length of time for which non-public treatment is alleged to be necessary with justification thereof; and

Ten years. Non-public materials lose non-public status ten years after the date of filing with the Commission, unless otherwise provided by the Commission. 39 C.F.R. § 3011.401(a).

(8) Any other factors or reasons relevant to support the application.

None.

Conclusion

For the reasons discussed, the Postal Service asks that the Commission grant its application for non-public treatment of Attachment A.